Contents

PROGRAMS & SERVICES .................................................................................................................. 2
  ECONOMIC REDEVELOPMENT .................................................................................................. 2
  OTHER INCENTIVE PROGRAMS ................................................................................................. 4
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ........................................................... 5
SERVICES & PROGRAMS ............................................................................................................... 6
RESOURCES .................................................................................................................................. 6

Revision Date: 10/13/22
PROGRAMS & SERVICES

The following is a summary of the City of Hagerstown’s Incentive Programs. For each program, full guidelines and application requirement apply. For more information visit: www.hagerstownmd.org/dced

The City of Hagerstown is among less than 300 cities in the United States with high speed internet up to and beyond 1 Gigabit service for businesses and residents. 1 Gigabit service is available downtown and in many other parts of the City of Hagerstown, and the fiber-optic internet connection offer speeds of 1,000 Megabit per second.

The dedicated connection allows for uploads and downloads of data at equal speeds. This makes Hagerstown an ideal location for businesses that do large volume of data transfers to clients. This service also benefits businesses that backup their own data and engage in collaboration through file sharing, online conferencing and screen sharing. It is also ideal for businesses that are moving their business processes such as email servers, customer contact management and database applications to the cloud.

Service Providers:
- Flight GIGABIT by Antietam Broadband – 301-797-5000
- Point Broadband by New Frontier Solutions – 301-791-3800

For more information, visit https://www.gigahubcity.com/ or watch the video at https://www.youtube.com/watch?time_continue=285&v=cNpp_DK59SU.

ECONOMIC REDEVELOPMENT

Invest Hagerstown
Website: https://www.hagerstownmd.org/788/Incentives-for-Businesses
There are five (5) Grant Programs available under the Invest Hagerstown Program:

1.) City Center Redevelopment Grant Program
Grants from a minimum of $150,000 to a maximum of $250,000 and requiring a minimum 2:1 match from the developer for large scale commercial and mixed-use projects within Hagerstown’s “City Center”. Projects ranging $450,000 to $750,000+.

2.) City-Wide Redevelopment Grant Program
Grants from a minimum of $5,000 to a maximum of $25,000 and requiring a minimum 2:1 match from the developer for projects anywhere within the City’s corporate boundaries. Projects ranging $15,000 to $75,000+.

3.) Hagerstown Homeownership Initiative Program
Homeownership Down Payment and Closing Cost Assistance loan-to-grants of $7,500 offered City Wide. Loan is forgiven if homebuyer maintains the structure as their permanent residence for at least 5 years.
4.) **Rental Property Rehabilitation Grant Program**
Grants from a minimum of $7,500 to a maximum of $20,000 and requiring a minimum 2:1 match from the developer for the rehabilitation of rental properties to market rate. Projects receiving grants greater than $7,500 require renovation of two or more units within a single property/parcel. Projects ranging $22,500-$60,000+.

5.) **Commercial Sign & Façade Grant Program**
Provides grants to increase brand visibility and encourage the enhancement of a building’s presentation with improved storefront and other façade elements within the Downtown Main Street District. Sign grants range $250-$1,500, and façade grants range $2,500-$7,500. Both require a 1:1 match from the developer.

**Partners in Economic Progress (PEP) – Building Rehabilitation Projects**
Website: [https://www.hagerstownmd.org/793/Partners-In-Economic-Progress-Program](https://www.hagerstownmd.org/793/Partners-In-Economic-Progress-Program)
- Open to property owners and businesses in downtown defined as the CC-MU zoning district.
- Requires minimum rehab investment of:
  - $250,000 for commercial project
  - $200,000 for mixed-use project
  - $100,000 for residential project
- Requires renovation to bring building and core systems to City code requirements and program standards.
- Provides a package of incentives that includes:
  - Annual Grant equal to City Property Tax for 5 years
  - Utility benefit of 2 free EDU’s valued at $15,084
  - Rent Assistance to attract first tenants following renovation and paid to property owner.
  - Waiver of Development Fees
  - Parking Program Fee Reductions
  - Fast Tracking
  - Code Flexibility using the Maryland Building Rehabilitation Code
  - Consultation on Historic Tax Credit Program – 2 hours

**Partners in Economic Progress (PEP) – Business Rent Relief Program (Select Properties)**
- Maximum incentive of up to $24,000 for the first two or three years of a business’ operation
  - Option 1 – 24 months
    - 50% monthly rent for 24 months at a max of $1,000
  - Option 2 – 36 months
    - 50% monthly rent for months 1-12 at a max of $1,000
    - 35% monthly rent for months 13-24 at a max of $700
    - 15% monthly rent for months 25-36 at a max of $300
- The business must maintain a lease and operate its business at the tenant space for a minimum of four (4) years.
  - If the business occupies the space for 0-24 months, they must repay 100% of the grant benefit.
  - If the business occupies the space for 25-47 months, they shall repay a pro-rated share of the grant benefit as calculated by the City.
- The business must be a new or existing business looking to move into the PEP Zone OR an existing business currently within the PEP Zone looking to expand.
• The business must plan to occupy upper-floor office space or first-floor, non-storefront commercial space in a PEP approved building. First-floor, storefront space is not eligible.
• The incentive is subject to application by the tenant business and approval by the City.

Fire Suppression System Grant
Website: https://www.hagerstownmd.org/1500/Fire-Suppression-System-Grant
• Open to commercial or mixed-use buildings in the CC-MU zoning district.
• The property must be within the Sustainable Communities Area of the City.
• Program provides grants of $15,000 to $25,000 to fund costs directly related to significant water service utility upgrades for an NFPA compliant fire suppression system.
• The program also provides grants of $7,500-$15,000 to fund costs associated with sprinkler additions or upgrades.
• Requires 1:1 match from applicant. (Example: Grant 25,000 + Match $25,000 = $50,000+ Project.)

Spring Sprouts Grants
Website: https://www.hagerstownmd.org/695/Spring-Sprout-Grants
• Open to for-profit businesses in downtown defined as the City Center Mixed Use (CC-MU) zoning district.
• Program provides grants up to $750 to purchase items, equipment, or training to help businesses grow, expand, operate more efficiently and/or more competitively, and increase storefront beautification.

REVOLVING LOAN
Hagerstown Revolving Loan Fund
Website: https://www.hagerstownmd.org/794/Revolving-Loan-Fund-Program
• Open to businesses City wide.
• Program provides low interest loans ranging from $10,000 to $200,000.
• Loan amount can equal, but cannot exceed 80% of total project costs, terms up to 7 years, fixed interest rate of PRIME plus 1% or a minimum of 3%.
• Maximum loan amount for working capital is $30,000.

OTHER INCENTIVE PROGRAMS
Enterprise Zone
Website: https://www.hagerstownmd.org/792/Enterprise-Zone
• Open to commercial projects only in the designated zone that includes all of the CC-MU Zoning District and other sections of the City.
• In City Center, requires $5,000 construction or rehab investment or the creation of one new job.
• City Wide, requires $50,000 construction or rehab investment or the creation of 5 new jobs.
• Provides real property tax credits on the change in assessed value from the rehab investment.
• Provides income tax credit for wages paid to eligible new employees.

Arts & Entertainment (A&E) District
Website: https://www.hagerstownmd.org/1558/Arts-Entertainment-Tax-Incentives
• Open to property owners and businesses in the defined downtown Arts & Entertainment (A&E) District.
• Ten-year tax credit on change in assessed value resulting from a renovation project that creates artist housing or space for arts & entertainment enterprises.
• Exemption from Admissions and Amusement Tax for visual and performing arts enterprises.
• Personal income tax subtraction for qualifying resident artists related to income from the sale, publication or production of artistic work.

Opportunity Zone
Website: https://www.hagerstownmd.org/1334/Opportunity-Zone
• The designated zone includes 4 census tracts which include much of downtown and other sections of the City.
• The program allows for unrealized capital gains to be redirected and invested in real estate projects or businesses in the designated zone.
• The program provides a temporary deferral of capital gains taxes, a tax liability reduction if held for 7 years, and a permanent tax exemption of any capital gains on subsequent investments if held for 10 years.

HUB Zone
Website: https://www.hagerstownmd.org/1347/HUBZone-Program
• Open to qualified small businesses with principal offices in the designated zone which includes much of downtown and other sections of the City.
• A qualified business includes one that is 51% owned and controlled by a US Citizen and with 35% of employees living in the zone.
• The program helps businesses gain preferential access to federal procurement opportunities.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
Website for all programs listed below: https://www.hagerstownmd.org/703/Incentives-for-Homeowners

Homeownership Program
• The City purchases vacant properties, and after complete renovation, the properties are sold at current appraised value to qualified applicants.
• Income requirements apply - maximum of 80% of median income.

Single Family Rehabilitation Loans and Rental Rehabilitation Loans
• Open to owner-occupied homeowners and investment owners of residential or mixed-use property City wide.
• Program provides low interest loan to complete comprehensive improvements to properties.
• Income requirements apply - maximum of 80% of median income.

Emergency Repair Grants
• Open to owner-occupied homeowners City wide.
• Program provides a grant up to $5,000 for eligible emergency repairs.
• Income requirements apply - maximum of 80% of median income.

Maryland Housing Rehabilitation Program (MHRP)
• The Department of Community & Economic Development administers loans for this State of Maryland program.
- Open to owner-occupied single-family homes and rental housing with one to four units City limits.
- Program provides loans for rehabilitation to bring properties to applicable building codes and standards.
- Income requirements apply - maximum of 80% of median income.

**Microenterprise Grant Program**
Website: [https://www.hagerstownmd.org/1554/CDBG-Microenterprise-Grant-Program](https://www.hagerstownmd.org/1554/CDBG-Microenterprise-Grant-Program)
- Open to businesses with five or fewer employees including the business owner(s)
- Program provides grants ranging from $2,500 to $5,000 for various business expenses including working capital, necessary fixed assets, business training, and operational expenses. Real property improvements or rehabilitation is not allowed under the grant provisions.
- Income requirements apply – maximum of 80% of median income.

**SERVICES & PROGRAMS**

**Business Grand Openings & Anniversary Celebrations**
Website: [https://www.hagerstownmd.org/799/Grand-Opening-Anniversary-Celebrations](https://www.hagerstownmd.org/799/Grand-Opening-Anniversary-Celebrations)
- The Department of Community & Economic Development coordinates Grand Opening and Anniversary celebrations for Hagerstown businesses
- Visit the website for the Event Request Form.

**Competitive Negotiated Sales (CNS) of City Owned Property**
Website: [https://www.hagerstownmd.org/662/Available-Properties-Commercial](https://www.hagerstownmd.org/662/Available-Properties-Commercial)
- The City of Hagerstown has city-owned property for sale through the Competitive Negotiated Sale process. The application process seeks plans for redevelopment of property in combination with an offer price.

**RESOURCES**

**Small Business Development Center (SBDC), SCORE, Partners & Business Resource Network**
Website: [https://www.hagerstownmd.org/827/Resources-for-Entrepreneurs](https://www.hagerstownmd.org/827/Resources-for-Entrepreneurs)
- The Small Business Development Center (SBDC) and the Service Corps of Retired Executives (SCORE) can offer businesses assistance with business plan development, start-up information and one on one counseling.

**Western Region Small Business Development Center (SBDC)**
Herb Melrath
Business Consultant
100 West Washington Street, Suite 1401
Hagerstown, MD 21740
(888) 237-9007 ext. 4
hjmelrath@frostburg.edu

**SCORE Mid-Maryland - Chapter 632**
Expert, free counseling for both startup and continuing small business. SCORE is a 10,000+ member volunteer non-profit association sponsored by the U.S. Small Business Administration.
Western Maryland Consortium – The Western Maryland Consortium offers a business resource to support for start-ups and entrepreneurs. They offer a variety of free programs to help offset the cost of hiring, training, and certifying new and existing employees. 
https://westernmarylandconsortium.org/

BüroBox
Website: https://www.theburobox.com/
- The BüroBox is conveniently located in the Arts & Entertainment district, and serves as a membership based workspace and resource center for entrepreneurs seeking to start or grow their businesses.
- Visit the website for the Membership Application Form.
Contact:
City of Hagerstown, Department of Community and Economic Development
(301) 739-8577 ext 111
DCED@hagerstownmd.org

Zoning Certificate and Business License
Website: Zoning Certificate
- You may obtain a Certificate of Zoning Compliance from the City of Hagerstown which may be presented to the Office of the Clerk of the Circuit Court for a Business License.
Contact:
City of Hagerstown, Planning and Code Administration Office
(301) 739-8577 ext 138
planning@hagerstownmd.org
Washington County Circuit Court
Clerk of Circuit Court – Kevin Tucker
Phone: 301-790-7991
washcocc_clerk@mdcourts.gov
Street Address: 24 Summit Avenue, Hagerstown 21740
Mailing Address: P.O. Box 229, Hagerstown, MD 21741

- Additional website resources:
Click here for Business License Instructions from the Washington County, MD Circuit Court.
Click here for the State of Maryland’s Maryland Licensing ONESTOP Portal.
Parking

- Customer validation parking available in the University District Deck and the A&E Deck. A Parking Division team member can schedule a demonstration on how the program works. Contact Angela Zeger at azeger@hagerstownmd.org.
- Curbside pickup parking
  - Parking is free at the 20 curbside parking zones downtown.
  - Time limit 10 minutes maximum. Enforcement after 30 minutes.
  - View the designated spots [here](#).
- Monthly Parking Passes
  - Parking deck permit is $70 per month.
  - City Center Lot parking permit is $56 per month.
  - All permits must be purchased at City Hall, 1 E. Franklin Street, 1st floor Billing Department.
- For more information on parking visit [here](#).
Opportunity Zone Map

State Website Link
https://dhcd.maryland.gov/Pages/OZ/OpportunityZones.aspx

State Map Tool (Link above and click on “Incentive Lookup”)
https://maryland.maps.arcgis.com/apps/webappviewer/index.html?id=1cc479d2dc3948239f0c47bda8b6967e
The Community's City Center Plan

Take a look at the future of our downtown... This is a 10-year roadmap for eight catalyst projects that will spur development in our City Center. The Community’s City Center Plan includes detailed annual steps for making these concepts a reality. It creates at least 875 new permanent jobs, bringing $125 million in new investment downtown.

This is a public-private partnership, where private developers invest 75% of the cost while funding from all levels of government will cover the rest. The City’s consultants, Urban Partners, conclude that all of these projects are feasible based on their economic analysis.

This roadmap is the result of broad community input, with the consultants spending over 130 hours collecting feedback from the community. We appreciate your participation in this project to help move our downtown forward!

1. Office Development and Recruitment:
   • Position downtown to compete for new office development using portions of Central Parking Lot
   • City partners with a selected, experienced developer through a competitive process
   • Estimated 154,000 square-foot new office development across three buildings
   • Current parking accommodates first 70,000 square feet; additional office will require new parking deck

2. Maryland Theatre Expansion Project:
   • Expand draw of downtown's largest attraction
   • Grow from 150 to 225 performance days per year, increasing the audience by 60,000 annually
   • Continue necessary improvements to seating and "back of house"
   • Create new entrance, offices and performance space

3. USMH Expansion Support:
   • Support USMH growth from 500 to 750 students
   • Add facilities for culinary arts, tourism and hospitality programs
   • Capture student housing opportunities downtown:
     • Three upper-floor renovation projects
     • 12 units to house 24 students

FOR MORE INFORMATION, VISIT US ONLINE AT HAGERSTOWNMD.ORG
The Community's City Center Plan

4. Hotel/Conference Center and Heritage Center/Commemorative Park:
   • Construct 200-room "Upper Upscale" hotel (i.e. Sheraton, Wyndham, Hilton)
   • Programmed with adjacent 20,000 square-foot conference center
   • Establish Civil War Heritage Center and Commemorative Park

5. Linking City Park/WCMFA and A&E District with Trail & New Housing:
   • Construct multi-use trail linking City Park with Public Square
   • Add 31 new townhomes along trail in first 10 years (more later)
   • Rehabilitate Dagmar Hotel and three other W. Antietam buildings as 85 loft apartments

6. Expanded Downtown Arts/Events Programming:
   • Build upon positive atmosphere created by events in downtown Hagerstown
   • Coordinate with Maryland Theatre programming
   • Utilize Main Street and other new funding sources to expand events
   • Establish consolidated events calendar

7. Expanded Operations of the City Farmers Market:
   • Expand from 7 to 35 hours per week operation
   • Implement private management approach
   • Coordinate with existing tenants; recruit needed additional tenants
   • Make necessary capital improvements
   • Re-brand & promote to capture portion of estimated $13 million in unmet demand for specialty foods

8. Expanded and Targeted Home Ownership Support:
   • Aggressively market downpayment assistance
   • Target Neighborhoods 1st support programs
   • Target Neighborhoods 1st infrastructure and amenity improvements
   • Continue acquisition, rehab and resale program
   • Establish annual rental licensing inspections
   • Continue excessive nuisance enforcement programs

FOR MORE INFORMATION, VISIT US ONLINE AT HAGERSTOWNMD.ORG
Hagerstown Community's City Center Plan

Catalytic Projects
June 2014

Identified Catalytic Projects

New Development Initiatives
1. Strategy for New Office Development and Recruitment
2. Maryland Theatre Expansion Project
3. USMH Expansion Support Strategy
4. Hotel/Conference Center/Heritage Center/Commemorative Park
5. Linking City Park and A&E District with Trail and New Housing

Expansion of Programs Currently Underway
6. Expanded Downtown Arts/Events Programming Strategy
7. Expanded Operations of the City Farmers Market
8. Expanded & Targeted Home Ownership Support Strategies
Construct path up to and through City-owned 43-53 W Washington St to connect to existing Market Walk
1. **Pathway** - Install crosswalk behind Maryland Theatre and utilize brick sidewalk on west side of street
2. Possible spur through privately-owned courtyard at 17 W Washington St
3. **Alternate Route** - Install gateway art and improve Rochester Alley to be more pedestrian friendly
4. **Possible spur** through privately-owned courtyard at 17 W Washington St
5. **Construct path** through Hagerstown Mall property
6. **Possible parklet** area with art, features TBD
7. **Reconstruct** Hood Street/W Baltimore Street intersection for pedestrian and bicycle safety
8. **Convert Hood Street to one way northbound.** Street remains on east side of right-of-way while trail is on the west side
9. **Narrow Sycamore Street to south side of right-of-way and install trail on the north side**
10. **Widen sidewalk on east side of Summit Avenue.** Widen CSX rail crossing. Connect to existing multi-use path